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MARCH 19, 1943

FOOD DISTRIBUTION ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE

[FDO 36]

PART 1460—FATS AND OILS

RESTRICTIONS ON USE AND DELIVERY OF
CASHEW NUT SHELL LIQUID

Pursuant to authority vested in me by Executive Order No. 9280, dated December 5, 1942, and to assure an adequate supply and efficient distribution of cashew nut shell liquid to meet war and essential civilian needs, *It is hereby ordered*, As follows:

§ 1460.12 *Use and delivery of cashew nut shell liquid restricted*—(a) *Definitions*. When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent thereof:

(1) The term "cashew nut shell liquid" means that liquid extracted, whether in this country or abroad, from the shell of the cashew nut and containing approximately 80 percent of phenol with molecular weight of 288 and approximately 20 percent of higher molecular weight phenol.

(2) The term "person" means any individual, partnership, corporation, association, or other business entity.

(3) The term "Director" means the Director of Food Distribution, United States Department of Agriculture, or any employee of the United States Department of Agriculture designated by such Director.

(b) *Restrictions on use and delivery of cashew nut shell liquid*. No person shall use, deliver, or accept delivery of, cashew nut shell liquid except as hereinafter specifically authorized by the Director, upon application on War Production Board Form PD-271, or such other forms as may be prescribed by the Director: *Provided, however*, That no such specific authorization shall be required with respect to:

(1) The delivery or use of cashew nut shell liquid to fill orders bearing preference ratings issued by the War Production Board of A-2 or better for the following end products:

(i) Molding resins for insulating aviation electrical parts.

(ii) Resin solutions for impregnating electrical coils.

(2) The delivery to and use by any person of cashew nut shell liquid for the manufacture of brake linings or other friction elements pursuant to a

specific contract or subcontract for the United States Army, Navy, Coast Guard, or Maritime Commission.

(3) The delivery to and use by any person of cashew nut shell liquid for the manufacture of brake linings or other friction elements for aircraft of any kind.

(4) The use of cashew nut shell liquid by any person in the manufacture of brake linings to fill orders bearing preference ratings issued by the War Production Board of A-2 or better; provided that such cashew nut shell liquid was purchased and received by such person on or before May 14, 1942.

(5) The importation of cashew nut shell liquid into the United States, its territories or possessions, the acceptance of delivery of such cashew nut shell liquid by the consignee thereof, and the delivery by such consignee to any person who purchased or contracted to purchase such cashew nut shell liquid prior to its importation: *Provided, however*, That nothing contained in this paragraph (b) (5) shall limit the requirements of General Imports Order M-63 of the War Production Board, as now or hereafter amended.

(6) The delivery of cashew nut shell liquid by or to the Commodity Credit Corporation or its authorized agents.

(c) *Existing contracts*. The restrictions of this order concerning the use and delivery of cashew nut shell liquid shall be observed without regard to existing contracts or any rights accrued or payments made thereunder.

(d) *Intra-company deliveries*. The prohibitions and restrictions of this order with respect to deliveries of cashew nut shell liquid shall apply not only to deliveries to other persons, including affiliates and subsidiaries, but also deliveries from one branch, division, or section of a single enterprise to another branch, division, or section of the same or any other enterprise under common ownership or control.

(e) *Records and reports*. Every person subject to this order shall maintain such records for at least two years (or for such period of time as the Director may designate), and shall execute and file such reports upon such forms and submit such information as the Director may from time to time request or direct, and within such times as he may prescribe.

(f) *Bureau of the Budget approval*. The specific reporting requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Further specific record keeping or reporting requirements which may be prescribed by the Director shall be subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(g) *Audits and inspections*. Every person subject to this order shall, upon request, permit inspections, at all reasonable times, of his stocks of cashew nut shell liquid, of his premises used in his business, and all his books, records, and accounts shall, upon request, be submitted to audit and inspection by the Director.

(h) *Petition for relief from hardship*. Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may petition in writing (in triplicate), for relief to the Director, setting forth all pertinent facts and the nature of the relief sought. The Director may thereupon take such action as he deems appropriate and such action shall be final.

(i) *Violations*. Any person who willfully violates any provision of this order or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this order, or willfully conceals a material fact concerning a matter within the scope of this order may be prohibited from receiving or making further deliveries of any material subject to allocation control; and such further action may be taken against him as the Director deems appropriate, including recommendations for prosecution under section 35a of the Criminal Code (18 U.S.C. 1940 ed. 80), under paragraph 5 of section 301, Title III of the Second War Powers Act, and under any and all other applicable laws.

(j) *Communications to Director*. All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: Director of Food Distribution, United States Department of Agriculture, Washington, D. C., Ref: FD-36.

(k) *General Preference Order M-66 superseded*. This order supersedes in all respects General Preference Order M-66 (7 F.R. 3572) of the War Produc-

tion Board, except that as to violations of said order or rights accrued, liabilities incurred, or appeals taken under said order prior to the effective date hereof, said General Preference Order shall be deemed in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect

to any such violation, right, or liability. Any appeal pending under said General Preference Order shall be considered under paragraph (h) hereof.

(1) *Territorial extent.* This order applies to all persons in the United States, its territories and possessions, and the District of Columbia.

(m) *Effective date.* This order shall be effective on March 24, 1943, as of 12:01 a. m., e. w. t.

(E.O. 9280, 7 F.R. 10179)

Issued this 19th day of March 1943.

[SEAL]

PAUL H. APPLEBY,

Acting Secretary of Agriculture.

Press Release—Immediate:
Monday March 22, 1943.

No major change is made in the restrictions governing the use and delivery of cashew nut shell liquid, and inedible industrial oil used in war production, in Food Distribution Order No. 36, issued by the Secretary of Agriculture to replace War Production Board Order M-66.

Except for certain permitted uses, the order requires prior authorization by the Director of Food Distribution for any delivery, acceptance of delivery, or use, of the liquid. No specific authorization

is required when the liquid is to be used in the manufacture of brake linings and other friction elements ordered under contract by the Army, Navy, Coast Guard, or Maritime Commission.

The oil also may be used without authorization to fill orders with an A-2 or better preference rating for molding resins, for insulating aviation electrical parts, or for resin solutions for impregnating electrical coils.

Cashew nut shell liquid is an inedible liquid resin extracted from the shell of the cashew nut and normally imported

in small quantities from India. War has interfered with imports and stimulated demand for the product. Controls over use and delivery are necessary in order to conserve the limited supply for most essential war requirements.

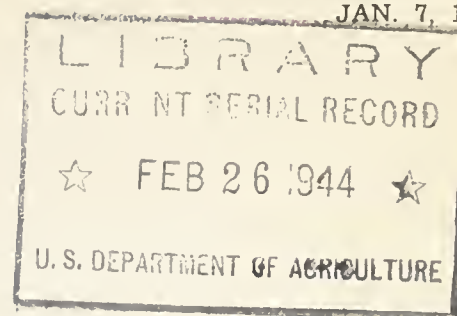
The re-issued order which is effective March 24, will be administered by the Food Distribution Administration. Application for authority to use, deliver, or accept delivery of the liquid may be filed on WPB Form PD-271 and addressed to: Director of Food Distribution, U. S. Department of Agriculture, Washington, D. C.

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FDO 36

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JAN. 7, 1944



WAR FOOD ADMINISTRATION

[FDO 36, Amdt. 1] A

PART 1460—FATS AND OILS

RESTRICTIONS ON USE AND DELIVERY OF CASHEW NUT SHELL LIQUID

Food Distribution Order No. 36 (8 F. R. 3480) § 1460.12, issued by the Acting Secretary of Agriculture on the 19th day of March, 1943, is amended as follows:

By inserting after the end of paragraph (m) thereof the following:

(n) *Temporary suspension of paragraph (b).* The restrictions and provisions of paragraph (b) of this order shall not apply to the delivery, acceptance of delivery, use, processing, or blending of cashew nut shell liquid by any person when such delivery, acceptance of delivery, use, processing, or

blending occurs in the period beginning on January 1, 1944 and ending on June 30, 1944.

(o) *Additional reporting requirements.* Every person who accepts delivery of, uses, processes, or blends cashew nut shell liquid in any calendar month, shall properly fill out and file Census Form BM1 for such month, with respect to cashew nut shell liquid, with the Bureau of the Census, Washington 25, D. C., on or before the 15th day of the succeeding month.

(p) *Additional approval by Bureau of the Budget.* The reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(q) *Effective date.* This amendment shall become effective on the 1st day of January 1944, at 12:01 a. m., e. w. t. However, with respect to violations of Food Distribution Order 36, rights accrued, or liabilities incurred thereunder, prior to said date, said Food Distribution Order 36 shall be deemed in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, fight, or liability.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783)

Issued this 7th day of January 1944.

ASHLEY SELLERS,
Assistant War Food Administrator.

The War Food Administration has suspended until June 30, 1944, the allocation of cashew nut shell liquid, removing it entirely from Government regulation during that period, except that census form BM 1 must be filed by persons who use or accept delivery of the liquid.

Improved shipping conditions have made possible the accumulation of sufficient supplies, and the outlook for additional imports is good. Civilian use of the oil has been regulated since January

13, 1942, first by the War Production Board and later by the Food Distribution Administration. Without regulation, its demand is expected to double.

Suspension of the allocation was effected by amendment to Food Distribution Order No. 36.

Cashew nut shell liquid is an industrial oil produced from the shells of cashew nuts grown principally in East Africa and British India. It is used primarily in the manufacture of brake linings and

other friction elements, such as clutch facings. Until recently, its use in this field has been confined largely to requirements of the military services. The oil also is used in the manufacture of insulating varnishes for the impregnation of coils and other wound apparatus, and for varnished cambric (cable cloth). When processed, it is considered indispensable for aircraft ignition coils and is an important raw material for laminating resins.

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U. S. DEPARTMENT OF AGRICULTURE

FDO 36-1

JUNE 30, 1943

WAR FOOD ADMINISTRATION

[FDO 36-1]

PART 1460—FATS AND OILS

CASHEW NUT SHELL LIQUID

Pursuant to the authority vested in me by Food Distribution Order 36, dated March 19, 1943 (8 F.R. 3480), and to effectuate the purposes of such order; *It is hereby ordered*, As follows:

§ 1460.24 *Applications for acceptance of delivery, or use of cashew nut shell liquid.* (a) Every person required by § 1460.12 (b) of Food Distribution Order 36, to file War Production Board Form

PD-271 shall file, in lieu thereof, three copies of Form FDA-478 ("Consumers' Application for Delivery and Use"). Every person filing such form shall attach to the three copies thereof one properly prepared copy of Form FDA 477 ("Suppliers' Authorization to Deliver") for each supplier named on Form FDA-478.

(b) The reporting requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(c) All reports required hereunder and all requests for report forms shall,

unless otherwise directed, be addressed to: Chief, Fats and Oils Branch, Food Distribution Administration, War Food Administration, Washington, D. C., Ref: FD-36.

(d) This order shall become effective on the 1st day of July 1943.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; FDO 36, 8 F.R. 3480)

Issued this 30th day of June 1943.

C. W. KITCHEN,
Acting Director of Food Distribution.

Press Release Immediate:
Thursday, July 1, 1943.

The War Food Administration has issued directives requiring the use of new forms in reporting production and applying for allocations in the various fats and oils programs.

The new forms, Food Distribution Administration forms 476, 477, and 478 replace forms PD 271, 481, 600, and 601, formerly used by the War Production Board, and should be used after July 1, in applying for allocations of all oils and reporting production of oiticica, castor, rapeseed (mustard seed), cashew nut

shell liquid, sperm and tung oils, subject to Food Distribution orders No. 31, 32, 35, 36, 37, and 39. Change in forms was necessitated by the transfer of fats and oils functions from WPB to the Food Distribution Administration.

Form FDA 478, entitled "Consumers' Application for Delivery and Use," replaces the PD-600 for commodities subject to these orders. The new form is different from PD-600 in that Table 1 constitutes application for authority to use and Table 2 constitutes application for authority to accept delivery. In filing FDA 478, the applicant is also required to prepare and file a single copy of form 477, entitled "Suppliers' Authoriza-

tion to Deliver," for each supplier named on form FDA 478.

In each case in which the application for authority to accept delivery is granted, a copy of form FDA 477 will be sent direct to the supplier. The new forms must be used for filing applications prior to July 15, for August allocations.

Producers who are required to report production and deliveries of oiticica, castor, rapeseed, mustard seed, and tung oils will report on form FDA 476.

Supplies of forms FDA 476, 477, and 478 may be obtained from regional offices of the Food Distribution Administration, in New York, Atlanta, Chicago, Des Moines, Dallas, Denver, and San Francisco.

